

# Venture

## Venture Capital Investment Tax Credit



### Description

The Venture Capital Investment Tax Credit program improves access to capital for fast growing Indiana companies by providing individual and corporate investors an additional incentive to invest in early stage firms. Investors who provide qualified debt or equity capital to Indiana companies receive a credit against their Indiana tax liability.

The Venture Capital Investment Tax Credit is established by I.C. 6-3.1-24.

### Calculation of Credits

The maximum amount of tax credits available for the qualified investment capital to a particular qualified Indiana business equals the lesser of:

The total amount of investment capital provided to the qualified Indiana business in the calendar year, multiplied by 20 percent; or

Five hundred thousand dollars (\$500,000)

If the amount of credit exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess credit over for a period not to exceed the taxpayer's following five (5) taxable years. A taxpayer is not entitled to a carryback or a refund of any unused credit amount.

### Eligibility

This credit is open to any taxpayer who is an individual or entity, including a pass through entity that has any state tax liability. A taxpayer wishing to obtain a credit must apply to the IEDC for a certification that the proposed investment plan would qualify for a credit. The total amount of tax credits certified by the IEDC for any calendar year may not exceed twelve and a half million dollars (\$12,500,000).

Upon certification, the taxpayer must provide qualified investment capital to a qualified Indiana business according to the taxpayer's certified investment plan within two years after the date on which the IEDC certifies the investment plan.

After a taxpayer makes the investment, the taxpayer must submit proof of investment to the IEDC from which the IEDC shall issue the taxpayer a letter indicating that the taxpayer is entitled to a tax credit.

For more information please visit our website:  
**[www.in.gov/iedc/incentives/venture](http://www.in.gov/iedc/incentives/venture)**

